GOVERNMENT OF ANDHRA PRADESHABSTRACT

Andhra Pradesh State Handloom Weavers Co-operative Society Limited (APCO) – Livery supplies to various Departments by APCO - Enhancement of 10% in rates towards supply of livery in the year 2009-10 --Orders – Issued.

INDUSTRIES AND COMMERCE (TEX) DEPARTMENT

G.O.Rt.No. 684

<u>Dated 07-11-2009</u>. <u>Read the following:</u>

- 1. From the VC&MD.,APCO Hyderabad, Letter Ref. No. LS/CO/Livery rates/08, dated 20-11-2008 and dated 13-07-2009
- 2. Government Letter No.15958/Tex.1/2008, Industries & Commerce, dated 03-10-2009.
- 3. From the Vice-Chairman and Managing Director, Andhra Pradesh State Handloom Weavers Co-operative Society Limited (APCO), Hyderabad, Letter Ref. No. LS/CO/Livery rates/09, dated 05-10-2009.

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<u>O R D E R:-</u>

In the reference $\mathbf{1}^{\text{st}}$ read above, the Vice-Chairman and Managing Director, Andhra Pradesh State Handloom Weavers Co-operative Society Limited (APCO), Hyderabad has stated that the Livery rates being paid to APCO were fixed during the year 2005-06 basing on the prevailing yarn prices at that time. APCO is supplying Livery Cloth on the same rates to all the Government Welfare Departments and other Institutions, even though subsequently prices of Yarn, Dyes and Chemicals as well as Wages to Weavers are increased from time to time. In the recent past due to abnormal escalation in prices ranging 30% to 40% in Yarn, Dyes and Chemicals and also the conversion charges to the Weavers, the production cost of the Livery Cloth has been increased and the supplies at those rates are causing loss to the organization and therefore become essential to revise the present rates. Further, in the meeting held on 17.10.2008, it was agreed to enhance the livery supply rates in consultation with the Finance and the other concerned Departments. Taking into consideration the escalation in the prices of yarn, Dyes and Chemicals and Conversion charges, the revised supply rates of various Livery & Bedding Material varieties being supplied by APCO are worked out.

2. The Vice-Chairman and Managing Director, Andhra Pradesh State Handloom Weavers Co-operative Society Limited (APCO), Hyderabad has further stated that the production of livery stocks in Karnataka State Handloom Development Corporation (KHDC) and Chattisgadh Apex Society is entirely different from others, as they are arranging production of livery varieties through their own production centres, thereby additional 9% margin to primary societies is reduced. APCO is allowing 9% margin of profit to Primary Societies and the other private organizations have been producing the varieties on SULZUR powerlooms (Shuttle less Looms), thus naturally the supply rates of powerloom cloth are lesser than hand woven cloth. The Uniform cloth rates of APCO are very less when compared to other Apex societies. Even the rates of private traders who are supplying with various yarn fibers and blend compositions the rates are very high side. Although the rates of raw material such as Yarn, Dyes & Chemicals and conversion charges are abnormally increased, APCO is supplying cloth requirement of Welfare and other Departments continuously.

- In the reference 3rd read above, the Vice-Chairman and Managing Director, Andhra Pradesh State Handloom Weavers Co-operative Society Limited (APCO), Hyderabad has stated that APCO is supplying livery uniform cloth and the supply rates were not enhanced during the (4) years, though there is 30% to 40% hike in prices of Yarn, Dyes and Chemicals as well as conversion charges (wages) to weavers. As such, APCO is sustaining in livery supplies and if the livery supply rates are not enhanced, the financial position of APCO will be adversely affected and in order to continue livery supplies to all the livery consuming Departments and other institutions, there is immediate need to enhance the supply rates. The Vice-Chairman and Managing Director, Andhra Pradesh State Handloom Weavers Co-operative Society Limited (APCO), Hyderabad has informed that 10% enhancement in the livery supply rates is acceptable to APCO for the supplies being made in the year 2009-10 to various Departments, provided Government agrees for enhancing the rates from 2010 - 2011 onwards and requested the Government to issue favourable orders.
- 4. After careful examination, Government have decided to enhance 10% in rates towards supply of livery to various Departments by Andhra Pradesh State Handloom Weavers Co-operative Society Limited (APCO) in the year 2009-10 and have also decided to review the matter later if necessary.
- 5 Accordingly, Government hereby order for enhancement of 10% in rates towards supply of livery to various Departments by APCO in the year 2009-10.
- 6. The Vice-Chairman and Managing Director, Andhra Pradesh State Handloom Weavers Co-operative Society Limited (APCO), Hyderabad / Director of Handlooms and Textiles and Development Commissioner for Apparel Export Parks, Andhra Pradesh, Hyderabad are requested to take action in the matter accordingly.
- 7. This order issue with the concurrence of Finance Department, vide their U.O.No. 29498/512/Exp.I & C/2009, dated.06.11.2009.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

M.VEERABHADRAIAH, SECRETARY TO GOVERNMENT.

То

The Vice-Chairman and Managing Director,

Andhra Pradesh State Handloom Weavers Co-operative

Society Limited (APCO), Hyderabad

The Director of Handlooms and Textiles and Development

Commissioner for Apparel Export Parks, Andhra Pradesh, Hyderabad

The Accountant General, Andhra Pradesh, Hyderabad..

The Pay and Accounts Officer, Hyderabad...

The Director of Treasuries and Accounts, Andhra Pradesh, Hyderabad..

Copy to:-

The P.S. to Special Secretary to Chief Minister

The P.S. to M(M&G,H&T,SM).

The P.S to Secretary to Government,

Industries and Commerce Department

The Finance (Exp.I&C) Department SF/SC.

// FORWARDED BY: ORDER//

SECTION OFFICER.